



DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-890]

Quartz Surface Products from India: Preliminary Results and Rescission in Part of Countervailing Duty Administrative Review; 2019-2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) is conducting an administrative review of the countervailing duty (CVD) order on quartz surface products (QSP) from India for the period October 11, 2019, through December 31, 2020. Commerce preliminarily determines that Divyashakti Granites Ltd. (DSG), the sole producer/exporter of QSP from India subject to this review, received countervailable subsidies. In addition, we are also rescinding this review with regard to 23 companies for which the request for review was timely withdrawn by interested parties.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Jolanta Lawska, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-8362.

SUPPLEMENTARY INFORMATION:

Background

On June 22, 2020, Commerce published the CVD order on QSP from India.¹ On June 29 and June 30, 2021, Commerce received timely requests for administrative reviews of several companies from various interested parties, in accordance with section 751(a) of the Tariff Act of

¹ See *Certain Quartz Surface Products from India and the Republic of Turkey: Countervailing Duty Orders*, 85 FR 37431 (June 22, 2020) (*Order*).

1930, as amended (the Act), and 19 CFR 351.213(b).² On July 26, 2021, Arizona Tile, LLC's (Arizona Tile) and M.S. International, Inc. (MSI) withdrew their respective requests for reviews in their entirety.³ On July 28, 2021, Pokarna Engineered Stone Limited's (PESL) withdrew its request for a review.⁴ On August 3, 2021, the interested parties who submitted the Various Indian Producers/Exporters Group One Review Request withdrew their request for reviews in its entirety.⁵ On August 9, 2021, Commerce published in the *Federal Register* a notice of initiation on QSP from India covering 24 producers/exporters.⁶ On August 12, 2021, the interested parties who submitted the Various Indian Producers/Exporters Group Two Review Request withdrew their request for reviews in its entirety.⁷ Due to the withdrawal of review requests submitted by various interested parties, DSG remains the sole Indian producer/exporter of QSP for which an administrative review was requested.

On February 17, 2022, Commerce extended the deadline for the preliminary results of this administrative review until June 30, 2022.⁸

² See DSG and Cosmos Granite West LLC, Cosmos Granite (South East), and Cosmos Granite (South West)'s Letter, "Quartz Surface Products India; C-533-890; Request for Administrative Review," dated June 29, 2021; see also Pokarna (PESL's Letter, "Quartz Surface Products India; C-533-890; Request for Administrative Review," dated June 29, 2021; Various Indian Producers/Exporters' Letter, "Certain Quartz Surface product from India (C-533-890) - Request for Administrative Review of Countervailing duty (AR1)," dated June 30, 2021 (Various Indian Producers/Exporters' Group One Review Request); Various Indian Producers/Exporters' Letter, "Certain Quartz Surface product from India (C-533-890) - Request for Administrative Review of Countervailing duty (AR1)," dated June 30, 2021 (Various Indian Producers/Exporters Group Two Review Request); Arizona Tile's Letter, "Quartz Surface Products from India: Arizona Tile, LLC Request for Review – 2019 - 2020 Review Period," dated June 30, 2022; and MSI's Letter, "Quartz Surface Products from India: M S International, Inc. Request for Review – 2019-2020 Review Period," dated June 30, 2021.

³ See Arizona Tile's Letter, "Quartz Surface Products from India: Arizona Tile, LLC Withdrawal of Request for Review – 2019-2020 Review Period," dated July 26, 2021 (Arizona Tile Withdrawal Letter); see also MSI's Letter, "Quartz Surface Products from India: M S International Withdrawal of Request for Review – 2019-2020 Review Period," dated July 26, 2021 (MSI Withdrawal Letter).

⁴ See PESL's Letter, "Quartz Surface Products from India: Withdrawal of Administrative Review Request," dated July 28, 2021 (PESL Withdrawal Letter).

⁵ See Various Indian Producers/Exporters' Letter, "Certain Quartz Surface product from India (C- 533-890) – Withdrawal of Request for Administrative Review of Countervailing duty (AR1)," dated August 3, 2021 (Various Indian Producers/Exporters Group One Withdrawal Letter).

⁶ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 86 FR 41821 (August 3, 2021) (*Initiation*). We note that several interested parties submitted their withdrawal of requests for review immediately prior to the July 29, 2021 signature date of the *Initiation*, and as a result, Commerce was unable to remove certain company names from the published version of the *Initiation*.

⁷ See Various Indian Producers/Exporters' Letter, "Certain Quartz Surface product from India (C- 533-890) – Withdrawal of Request for Administrative Review of Countervailing duty (AR1)," dated August 12, 2021 (Various Indian Producers/Exporters Group Two Withdrawal Letter).

⁸ See Memorandum, "Quartz Surface Products from India: Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review," dated February 17, 2022.

For a complete description of the events that followed the *Initiation* of this review, *see* the Preliminary Decision Memorandum.⁹ A list of topics discussed in the Preliminary Decision Memorandum is included as an appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the Order

The merchandise covered by the *Order* is QSP from India. For a complete description of the scope of the order, *see* the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(A) of the Act. For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a government financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.¹⁰ For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. Rescission of Administrative Review, in Part Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if the party that requested a review withdraws the request within 90 days of the publication date of the notice of initiation of the requested review. On August 9, 2021, Commerce published the *Initiation*.¹¹ The withdrawal requests of Arizona Tile, MSI, PESL, and

⁹ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the First Administrative Review of the Countervailing Duty Order on Quartz Surface Products from India," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

¹⁰ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

¹¹ *See Initiation*.

groups one and two of the Various Indian Producers/Exporters were timely submitted.¹²

Therefore, in accordance with 19 CFR 351.213(d)(1), we are rescinding this administrative review of the *Order*, in part, with respect to the following 23 companies: (1) Antique Marbonite Private Limited; (2) Argil Ceramics; (3) ARO Granite Industries Limited; (4) Baba Super Minerals Pvt. Ltd.; (5) Camrola Quartz Limited; (6) Cuarzo; (7) Esprit Stones Pvt. Ltd.; (8) Global Stones Pvt. Ltd.; (9) Hi Elite Quartz LLP, India; (10) Keros Stone LLP; (11) Mahi Granites Private Limited; (12) Malbros Marbles & Granites Industries; (13) Pacific Industries Limited; (14) Pacific Quartz Surfaces LLP; (15) Paradigm Stone India Pvt. Ltd.; (16) Pelican Quartz Stone; (17) PESL; (18) Rocks Forever; (19) Satya Exports; (20) Shivam Enterprises; (21) Southern Rocks and Minerals Pvt. Ltd.; (22) Sunex Stones Private Limited, India; and (23) Tab India Granites Private Limited, India.

Preliminary Results of Review

Commerce preliminarily determines that the following countervailable subsidy rate exists for DSG for the period October 11, 2019, through December 31, 2020:

Company	Subsidy Rate 2019 <i>ad valorem</i> (Percent)	Subsidy Rate 2020 <i>ad valorem</i> (Percent)
Divyashakti Granites Ltd.	1.98	1.18

¹² See Arizona Tile Withdrawal Letter; *see also* MSI Withdrawal Letter; PESL Withdrawal Letter; Various Indian Producers/Exporters Group One Withdrawal Letter; and Various Indian Producers/Exporters Group Two Withdrawal Letter.

Assessment Rate

Consistent with section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(2), upon issuance of the final results, Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. For DSG, Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

With respect to the companies for which this administrative review is rescinded, following the publication of this *Federal Register* notice, we will instruct CBP to assess countervailing duties on all appropriate entries at rates equal to the cash deposit rate required at the time of entry, or withdrawal from warehouse, for consumption, during the period October 11, 2019, through December 31, 2020, in accordance with 19 CFR 351.212(c)(1)(i).

Cash Deposit Rate

In accordance with section 751(a)(2)(C) of the Act, Commerce also intends to instruct CBP to collect cash deposits of estimated CVDs in the amount indicated above (*i.e.*, the rate calculated for calendar year 2020) with regard to shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, Commerce will instruct CBP to continue to collect cash deposits of estimated CVDs at the most recent company-specific or all others rate

applicable to the company, as appropriate. These cash deposit instructions, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

We will disclose to parties in this proceeding the calculations performed in reaching the preliminary results within five days of publication of these preliminary results in the *Federal Register*.¹³ Interested parties may submit written comments (case briefs) on the preliminary results no later than 30 days from the date of publication of this *Federal Register* notice, and rebuttal comments (rebuttal briefs) within seven days after the time limit for filing case briefs.¹⁴ Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁵

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS by 5 p.m. Eastern Time within 30 days after the date of publication of this notice.¹⁶ Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Issues addressed at the hearing will be limited to those raised in the briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a date and time to be determined.¹⁷ Parties should confirm by telephone the date and time of the hearing two days before the scheduled date.

Parties are reminded that all briefs and hearing requests are to be filed electronically using ACCESS and that electronically filed documents must be received successfully in their entirety by 5 p.m. Eastern Time on the due date. Note that Commerce has temporarily modified

¹³ See 19 CFR 351.224(b).

¹⁴ See 19 CFR 351.309(c)(1)(ii) and 351.309(d)(1); see also 19 CFR 351.303 (for general filing requirements).

¹⁵ See 19 CFR 351.309(c)(2) and 351.309(d)(2).

¹⁶ See 19 CFR 351.310(c).

¹⁷ *Id.*

certain of its requirements for serving documents containing business proprietary information, until further notice.¹⁸

Commerce intends to issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their comments, no later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h), unless this deadline is extended.

Notification to Interested Parties

These preliminary results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213 and 19 CFR 351.221(b)(4).

Dated: June 9, 2022.

Lisa W. Wang,
Assistant Secretary
for Enforcement and Compliance.

¹⁸ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

Appendix

List of Topics Discussed in Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Period of Review
- IV. Scope of the *Order*
- V. Partial Rescission of Administrative Review
- VI. Subsidies Valuation Information
- VII. Analysis of Programs
- VIII. Recommendation

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